

1.913
#5T55

UNITED STATES DEPARTMENT OF AGRICULTURE
Extension Service
Washington 25, D. C.

February 15, 1951

For your information

To: Extension Economists in Marketing

Subject: Processed Vegetable Requirements for 1951

A series of governmental actions have taken place recently that we thought should be brought to your attention. On January 27 the Department of Defense released estimated requirements of canned fruits and vegetables from the 1951 pack to meet the needs of the Armed Forces. The requirements for canned vegetables amounting to 597.9 million pounds is about three times the annual amount taken by the Armed Forces since the end of World War II. The enclosed data showing the amount of processed vegetables used by the Armed Forces during World War II may be helpful to you in connection with preparation of articles, radio talks and meetings showing the needs for increased processed vegetable production in 1951. Military requirements for frozen vegetables are not yet available for 1951.

Last week, the Department of Agriculture announced the 1951 suggested acreage for sweet potatoes, melons, summer and fall vegetables for fresh market and vegetables for processing. While small increases amounting to about 4% over last year are suggested for fresh vegetables, a major upward adjustment of 22% is suggested for the acreage of vegetables for processing. The most important increases over the 1950 planted acreages are 40% for sweet corn and 35% for tomatoes. When compared to average acreages since the war these increases appear possible but will require an adequate price to growers and prospects of necessary harvest labor. With normal yields these acreages should produce sufficient vegetables for processing to meet the needs of the Armed Forces and to maintain present levels of civilian consumption. A copy of the report containing the statistical material connected with these suggested acreages, estimated yields and indicated production is enclosed for your use.

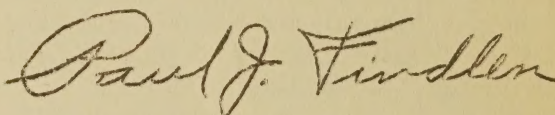
On January 31 BAE issued the supplement to agricultural prices for January 1951 which listed the legal minimum prices that would be used in the establishment of price ceilings. Although you probably received this report in regular mailings, an additional copy is enclosed for your use. A copy of the general ceiling regulation issued January 26 by OPS together with the amendment exempting raw agricultural products which was issued February 12, is also enclosed. The Secretary's statement of February 9 on farm prices in the price control picture was sent to key extension economists this week. Following the Canner's meeting this week in Chicago, considerable attention will be directed to the problems of price ceilings for processed fruits and vegetables.

The vegetable industry can make a major contribution to the defense program by increasing the production of vegetables for processing to meet military needs and maintain an adequate supply for civilians. In those States where vegetable processing is important a more than usual effort on the part of the Extension Service to encourage this production may be necessary. Extension economists have an important part to play in presenting the changed outlook for processing vegetables.

We hope these materials will supplement the information you have available.

Any new developments relating to the vegetable processing situation will be brought to your attention in later letters.

Very truly yours,



Paul J. Findlen
Fruit and Vegetable Marketing Economist
Division of Agricultural Economics

Enclosures

